

NCI BUILDING SYSTEMS INC
 Form 4
 July 06, 2012

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 CD&R Associates VIII, Ltd.

2. Issuer Name and Ticker or Trading Symbol
 NCI BUILDING SYSTEMS INC
 [NCS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 07/05/2012

____ Director
 ____ Officer (give title below)
 ___X___ 10% Owner
 ____ Other (specify below)

C/O CLAYTON, DUBILIER &
 RICE, LLC, 375 PARK AVENUE,
 18TH FLOOR

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___ Form filed by One Reporting Person
 ___X___ Form filed by More than One Reporting Person

NEW YORK, NY 10152

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Clayton, Dubilier & Rice Fund VIII, L.P. By: CD&R Associates VIII, Ltd., its general partner By: Theresa A. Gore, VP, Treas. and Asst. Sec.

__Signature of Reporting Person

Date

CD&R Friends & Family Fund VIII, L.P. By: CD&R Associates VIII, Ltd., its general partner By: Theresa A. Gore, VP, Treas. and Asst. Sec.

07/06/2012

__Signature of Reporting Person

Date

CD&R Associates VIII, L.P. By: CD&R Investment Associates VIII, Ltd., its general partner By: Theresa A. Gore, VP, Treas. and Asst. Sec.

07/06/2012

__Signature of Reporting Person

Date

CD&R Investment Associates VIII, Ltd. By: Theresa A. Gore, VP, Treas. and Asst. Sec.

07/06/2012

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This conversion price ("Conversion Price") is calculated based on an initial conversion price of \$1.2748 adjusted to give effect to the 1 for 5 reverse stock split of the issuer's common stock that became effective on March 5, 2010 (the "Reverse Stock Split").

(2) On July 5 2012, the issuer paid, an aggregate of 37,834 shares of Series B Cumulative Convertible Participating Preferred Stock (the "Series B Stock") to Clayton, Dubilier & Rice Fund VIII, LP ("Fund VIII") and CD&R Friends & Family Fund VIII, LP ("F&F VIII"), pursuant to an Amendment Agreement (the "Amendment Agreement"), dated May 8, 2012 which provided for the Certificate of Designations, Preferences and Rights to be amended and restated the ("Amended and Restated Certificate of Designations") to provide that Fund VIII and F&F VIII agree that the base dividend rate will be reduced to zero in return for the one-time issuance of an additional 37,834 of Series B Stock to Fund VIII and F&F VIII .

(3) Pursuant to the Amended and Restated Certificate of Designations, the Series B Stock had accrued dividend at a rate of 12% per annum or, if paid in cash on the applicable Dividend Payment Date (as defined below), 8% per annum, compounding quarterly and payable in kind or in cash (at the option of the Board), if, as, and when declared by the Board on March 15, June 15, September 15 and December 15 of each year beginning on December 15, 2009 (each, a "Dividend Payment Date"). Pursuant to the Amendment Agreement, Fund VIII and F&F VIII agreed to reduce the base dividend rate to zero in return for the one-time issuance by the issuer of an additional 37,834 of Series B Stock to Fund VIII and F&F VIII.

(4) The Amended and Restated Certificate of Designations also provides that (i) the holders of Series B Stock have the right to vote such Series B Stock on an as converted basis, and (ii) the Series B Stock is convertible into shares of common stock of the issuer at any time at the option of the holders of Series B Stock at a rate equal to the liquidation preference of such Series B Stock plus any accrued and unpaid dividends divided by the Conversion Price (see note 1 above for discussion of the Conversion Price).

(5) In addition, pursuant to the Amended and Restated Certificate of Designations, the Series B Stock dividends accrued for the period from October 21, 2009 until December 29, 2009 are payable in cash only. Such dividends have not been declared by the Board and have not yet been paid to the holders of Series B Stock. Such dividends amount to \$5,774,610.52. Until such cash dividends are paid to the holders of Series B Stock, they will be convertible into additional shares of the issuer's common stock pursuant to the conversion formula set forth in the paragraph above.

(6) Holders of Series B Stock have the right at any time to convert the Series B Stock into shares of the issuer's common stock to the extent that there is a sufficient number of authorized and unissued (or issued and included in treasury) and otherwise unreserved shares of common stock.

(7) On or after the tenth anniversary of the closing on October 20, 2009, (i) holders of the Series B Stock have the right to redeem all, but not less than all, of their Series B Stock and (ii) the issuer has the right to redeem all but not less than all, shares of issued and outstanding Series B Stock. Holders have the right to redeem all, but not less than all, of their Series B Stock upon certain change of control events. Series B Stock automatically converts upon the occurrence of certain business combinations.

(8) Fund VIII directly owns 338,439.8332 shares of the Series B Stock and F&F VIII directly owns 853.6195 shares of the Series B Stock. As general partner of both Fund VIII and F&F VIII, CD&R Associates VIII, Ltd. may be deemed to own directly a total 339,293.4527 shares of Series B Stock. CD&R Associates VIII, L.P., CD&R Associates VIII, Ltd. and CD&R Investment Associates VIII, Ltd. expressly disclaim beneficial ownership of the shares held by Fund VIII and F&F VIII.

(9)

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CD&R Associates VIII, Ltd. is a wholly-owned subsidiary of CD&R Associates VIII, L.P., of which CD&R Investment Associates VIII, Ltd. is the general partner.

Remarks:

Exhibit 99.1 - Joint Filer Information

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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